



## **FOREIGN GRADE CONTROL (FGC) PROGRAM**

### **Purpose**

This instruction provides procedures for services under the Livestock and Seed (LS) Program's Foreign Grade Control (FGC) Program. Verification and monitoring services for the FGC Program will be conducted by Audit, Review, and Compliance (ARC) Branch, Quality Systems Verification Program (QSVP) as outlined in ARC Instruction 1000 and 1001. This is a voluntary user-fee service to meat processors seeking grade label approval to retain grade identification of USDA graded meat and meat products. Graded products controlled under this program are eligible for processing and relabeling with official USDA grade terminology.

### **Reference Documents**

ARC Instruction 1000 - Quality Systems Verification Program, General Policies and Procedures  
ARC Instruction 1001 - Process Verified Programs (PVP)

### **Program Requirements**

Programs seeking grade label approval must ensure products purchased, received, processed, sold and shipped are traceable through company records to products officially graded by USDA. Programs must provide for the accurate grade segregation and identification of all USDA graded products at all times from receiving through storage, processing, packaging, and final shipment. The program must demonstrate reconcilable balances of USDA graded products received and products shipped as USDA graded products. Systems must provide for unlimited USDA access to all purchasing, receiving, processing, quality control, storage, sales and shipping records, and facilities of the company for all products, whether covered under the grade control program or not. All programs must be endorsed and monitored by the competent government authority responsible for grade labeling and export certification at the supplier's facility.

### **Notification of Nonconformances and Responsibilities for Corrective Action**

All nonconformances identified as "Hold Points" must be communicated to the QSVP Manager, immediately. Nonconformances identified as Continuous Improvement Points (CIP) will be communicated to the QSVP Manager through the normal audit report distribution procedure. Corrective action formulated to address any nonconformances identified during audits must be submitted to the QSVP Manager for review and approval prior to onsite verification.

### **Audit Frequency**

The QSVP Manager will determine the frequency of onsite audits, but at least twice per year. The frequency of additional onsite audits will be determined using past audit results, outstanding Continuous Improvement Points, effectiveness of implemented corrective action, amount of product relabeled and the level of access to relabeled product in the USA.



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## **Audit Documents**

Documents used to verify compliance will include at the least, the applicant's quality management system, all program documents and records available onsite used to address applicable points in ARC Instruction 1001. ARC Instruction 1000 and 1001 will be used to assess compliance to this Instruction.

## **Distribution of Reports**

All audit reports and applicable records must be submitted to the QSVP Manager for further review and distribution.

## **Publication of Approval Status**

Information about each approved processing facility will be posted on the USDA's Internet web site located at: <http://www.ams.usda.gov/lsg/arc/audit.htm>

A handwritten signature in black ink, reading "Larry R. Meadows". The signature is written in a cursive style with a horizontal line underneath it.

Larry R. Meadows, Chief  
Audit, Review, and Compliance Branch  
Livestock and Seed Program